

annuity of four per cent., and a call upon the proprietors for ten per cent., which made the bank capital  $\hat{10,780,000}$ . The rate of interest on portions of the debt amounting to , £8,486,000, which had not yet been reduced, was changed to three and a half per cent, in 1749 for the seven years beginning with Christmas, 1750, and thereafter to three per cent. <sup>1</sup> The charter was renewed in 1764 until twelve months notice after August i, 1786, upon the conditions of a direct payment to the Exchequer of ,£110,000 and a loan for two years on Exchequer bills of £ i, 000, 000 at three per cent. The next renewal, in 1781, carried the charter along until twelve months notice after August i, 1812, and provided for a loan for three years of ,£2,000,000 at three per cent. A call upon the proprietors for ,£862,400 in 1782 advanced the capital of the bank to  $\hat{11,642,400}$ , at which it remained until 1816, when it was increased to ,£14,553,000 by adding twenty-five per cent, to the stock of each proprietor from the reserved profits or \*' rest."

The Bank of England at its institution enjoyed no monopoly of note issues, so that Chamberlain's plan for a Land Bank was not a violation of the privileges of the older establishment. The managers of the Bank of England endeavored to protect themselves in the legislation of 1697 and secured a provision that during the continuance of the corporation no other institution in the nature of a bank should be erected or countenanced within the Kingdom by act of Parliament by bodies exceeding six persons. This provision was calculated to prevent the formation of strong joint stock banks, and dangerous rivalry was not feared from private firms of six persons with unlimited liability. An effort to narrow the limits still more closely was made in the Act of 1709 by making it unlawful " for any body politic or corporate whatsoever, created or to be created (other than the said Governor and Company of the Bank of England), or for any other

<sup>1</sup> The operation of 1752, by which the balance of annuities granted in 1721 were consolidated with other three per cent, stocks, gave rise to the familiar designation, " Three per cent, consols," the latter word being a contraction of " consolidated."—Gilbart. I, 43.